MEMO

To: **Interested Parties**

From: Center for American Progress Action Fund

Subject: President Trump's Relationship with China Has Only Served His Own

Interests at America's Tragic Expense

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President Trump's China policy has been an abject failure and recent revelations in a new book by his own former National Security Advisor John Bolton raise even more questions about Trump's response to the COVID-19 crisis.

Trump's entire policy towards China has been driven not by the interests of the American people, but rather by his aspirations to be re-elected in 2020. Americans already knew Trump bows down to Chinese President Xi Jinping in embarrassing ways—on the same day that the U.S. confirmed its first COVID-19 case, Trump bragged that he and President Xi "love each other." Now we know the reason for Trump's extraordinary behavior with the Chinese leader: Trump wants Beijing to help him win re-election. Bolton states that when Trump met Xi at the June 2019 G-20 summit in Japan: "Trump then, stunningly, turned the conversation to the coming U.S. presidential election, alluding to China's economic capability and pleading with Xi to ensure he'd win. He stressed the importance of farmers and increased Chinese purchases of soybeans and wheat in the electoral outcome."1

John Bolton, "Exclusive Excerpt: The Scandal of Trump's China Policy," The Wall Street Journal, June 17, 2020, https://www.wsj.com/articles/john-bolton-the-scandal-of-trumps-china-policy-11592419564

Trump's policy towards China has been so counterproductive, several Chinese officials and notable thinkers are on record saying that Beijing wants another four years of President Trump. In fact, according to Bolton's book, Xi Jinping told Trump that China hoped it would be possible to amend the US Constitution to allow Trump to stay longer.² Trump sacrificed key American interests in exchange for a trade deal—which he views as paramount to winning re-election—that lets China off the hook for its worst abuses. Further, he has failed to win the trade war that he started.

As the COVID-19 pandemic began to spread across China and the world, Trump prioritized currying favor with Chinese President Xi—repeatedly praising his handling of the virus—instead of pushing China to share data needed to protect American lives. If, as Bolton claims, Trump was willing to subjugate America's interests for his re-election as it relates to a trade deal, then it seems likely his interest in the trade deal guided his praise of China and disinterest in demanding transparency during the crucial early weeks of the COVID-19 outbreak. Unfortunately, that posture damaged America's global image and likely contributed to greater losses of American lives.

Trump blindfolded US intelligence in China and then gave Beijing cover to withhold critical COVID data.

Trump withdrew America's eyes and ears for detecting pandemics from China. He downplayed the severity of the outbreak early on in order to secure a trade "deal" with China. He asked for Beijing's help in the 2020 campaign. Perhaps most damaging, Trump continued to claim that China had the virus under control and ignored the growing pandemic to avoid angering Xi Jinping.

In 2019, the Trump administration ended the US Center for Disease Control (CDC) and <u>USAID</u> programs that put American experts on the ground in China to monitor disease outbreaks in real time and pass information directly to American officials. But the Trump administration had no interest in maintaining American sources—they preferred to put blind trust in Beijing. Even still, the warning signs of the coming pandemic were clear. The WHO was notified as early as December 31, 2019, but Trump still actively avoided any criticism of China that could derail his trade deal, which was subsequently signed on January 15th. By this time, the CDC had already contacted National Security Council staff to warn about early coronavirus cases in China and potential spread to the United States. However, according to John Bolton's book, Trump was reluctant to disseminate public health information, even attempting to classify certain public health information, for fear of jeopardizing the trade deal with China or offending Xi Jinping.3

² John Bolton, The Room Where it Happened [E-reader version], page 297.

After the trade deal was signed, Trump repeatedly praised Chinese President Xi Jinping's handling of the outbreak, lauding Beijing's "transparency" at a time when even the Chinese people were rising up to protest Beijing's censorship of Dr. Li Wenliang as he tried to sound the alarm about the coronavirus. Trump's consistent praise provided cover for Beijing to withhold information about the true scope of the outbreak, delaying the global response.

At home and abroad, Trump still refused to take action on the pandemic, downplaying the gravity of the situation and claiming that China had it <u>under control</u> for the rest of January and February. He spoke positively about China's situation, called Xi Jinping his friend, and expressed admiration for Xi's handling of the outbreak. Following his supposed travel restriction on China, nearly 40,000 individuals that had traveled from China were permitted to enter the United States. These restrictions were not only porous but also delayed—430,000 people arrived in the US on direct flights from China after Chinese officials disclosed the outbreak of the virus.

Trump signed a weak trade deal that makes the United States more dependent on China and allows Beijing to continue its most damaging economic policies.

It is clear that Trump's phase one trade deal with China was a blatant political initiative intended to give Trump a "win" even though the deal neither addressed structural issues with China nor helped American workers. "This deal does not end retaliatory tariffs on American farm exports, makes American farmers increasingly reliant on Chinese state-controlled purchases and doesn't address the big structural changes the trade war was predicated on achieving," said Michelle Erickson-Jones, a Montana wheat grower and spokeswoman for Farmers for Free Trade. The deal also completely ignores the big-ticket items in China's trade and investment policy playbook that are the most damaging for US competitiveness, such as the massive subsidies Beijing doles out to help Chinese firms undercut US businesses in sectors ranging from steel to advanced IT sectors.

Now, Bolton's book makes clear that the trade deal was all about politics. According to Bolton, Trump told Xi Jinping that he needed Xi to buy American agricultural products because farmers were a key constituency for Trump in 2020.⁴ Bolton's book also reveals that on June 18, 2019, Trump told Xi, "that the most popular thing he had ever been involved in was making a trade deal with China,"5 and that securing the deal would be a "big plus politically."6

⁴ John Bolton, *The Room Where it Happened* [E-reader version], page 298

⁵ Ibid, page 301.

⁶ Ibid, page 301.

Trump moved on to sign a weak trade deal with China that was all pain and no gain for the United States. Now it is clear he did so specifically to gain Chinese assistance to boost his own 2020 electoral prospects. According to Bolton, in a meeting with Xi at the G20 in June 2019 Trump, "stunningly, turned the conversation to the coming US presidential election, alluding to China's economic capability to affect the ongoing campaigns, pleading with Xi to ensure he'd win. He stressed the importance of farmers and increases in Chinese purchases of soybeans and wheat in the electoral outcome."

Trump strove to protect Chinese companies from US law enforcement.

While the Trump administration was vocal about stopping the Chinese Communist Party from gaining technological advantages through its state-supported companies, Trump himself repeatedly undermined the US government's efforts to hold those companies accountable. Instead of standing up for the United States, Trump has sought to drop charges against Chinese companies to preserve his personal relationship with Xi Jinping. In particular, Bolton outlines several instances when Trump was weak on two of China's largest telecommunications companies, Huawei and ZTE:

- Trump wanted to use a criminal case against Huawei as a bargaining chip. "Trump made matters worse on several occasions by implying that Huawei also could be simply another US bargaining chip in the trade negotiations, ignoring both the significance of the criminal case and also the far larger threat Huawei posed to the security of fifth-generation (or 5G) telecom systems worldwide. This is what the black-hole-of-trade phenomenon did in twisting all other issues around Trump's fascination with a big trade deal."8
- Trump wanted to let ZTE off the hook to do a favor for Xi Jinping. "What did process matter anyway when Trump tweeted on his own, as he did on May 14: 'ZTE, the large Chinese phone company, buys a big percentage of individual parts from U.S. companies. This is also reflective of the larger trade deal we are negotiating with China and my personal relationship with President Xi. What was that all about? Worse was the explicit linkage of a law- enforcement matter to a trade deal, not to mention with Trump's "personal relationship" with Xi. For Xi, personal relationships of any sort did not get in the way of his advancing Chinese interests, just as Putin's personal relationships didn't hamper his advancing Russian interests. I don't think Trump ever got this point. Here, it was all about Trump and Xi. In countless other episodes, he had trouble divorcing the personal from the official." "I was stunned by the unreciprocated nature of the concession, and because, as Ross told me later, ZTE had almost been destroyed by the penalties imposed. Reversing the decision would be inexplicable. This was policy by personal whim and impulse."10

⁷ John Bolton, The Room Where it Happened [E-reader version], page 301.

⁸ Ibid. page 306.

⁹ Ibid. page 294.

¹⁰ Ibid. page 291.

Trump gave Beijing a free pass on human rights in an attempt to win favor with Chinese President Xi.

Trump has made it abundantly clear that he does not care about human rights. From Chinese government encroachments in Hong Kong to internment camps in Xinjiang, Trump has subsumed US interests under his personal interests. The revelations in the Bolton book reinforce that Trump has in part not criticized China for human rights abuses because he wanted to have a good personal relationship with Xi in order to secure the trade deal. Below are examples from Bolton's book highlighting Trump's human rights grievances:

- Trump encouraged Xi Jinping to keep building internment camps for Uighurs. "At the opening dinner of the Osaka G20 meeting, with only interpreters present, Xi explained to Trump why he was basically building concentration camps in Xinjiang. According to our interpreter, Trump said that Xi should go ahead with building the camps, which he thought was exactly the right thing to do. Pottinger told me Trump said something very similar during the 2017 trip to China, which meant we could cross repression of the Uighurs off our list of possible reasons to sanction China, at least as long as trade negotiations continued."11
- Trump blocked a statement commemorating the Tiananmen Square massacre. "This was typical of Trump, who in June 2019 also blocked a draft statement on the thirtieth anniversary of the Tiananmen Square massacres and criticized the State Department for a press release issued before he knew about it. Trump seemed to think that criticizing the policies and actions of foreign governments made it harder for him to have good personal relations with their leaders."12
- Trump pushed to stay quiet on Hong Kong. "In the June 18 phone call, along with trade and Huawei, Trump said that he saw what was happening in Hong Kong, that it was a domestic Chinese issue, and he had told his advisors not to discuss Hong Kong publicly in any way, shape, or form. Xi was appreciative, saying that what happened in Hong Kong was indeed a purely Chinese domestic affair. He said that the extradition issue, which had touched off the demonstrations, was to close existing loopholes in Hong Kong law, and was for serious criminal matters. He also stressed that stability and prosperity in Hong Kong was a plus for both China and the United States, and others should refrain from interfering in Hong Kong affairs. Trump acquiesced.¹³" In December 2019, Trump said that US legislation that backed protesters in Hong Kong did not make trade negotiations with China easier.

¹¹ John Bolton, The Room Where it Happened [E-reader version], page 312.

¹² Ibid. page 181.

¹³ Ibid. page 310.

New Hard Questions to Ask:

- Did Trump's concerns over securing China's help for his re-election cause the President to tweet "China has been working very hard to contain the Coronavirus. The United States greatly appreciates their efforts and transparency. It will all work out well. In particular, on behalf of the American People, I want to thank President Xi!" on January 24, 2020? And to praise China at least 18 more times in January and February?
- Did his concerns about getting China's help for his re-election cause him to send millions of face masks to China in January and February when American health workers couldn't even acquire them and warnings of a major pandemic were being conveyed? What can the State Department tell the public about the decision making process around this decision?
- Did Trump's concerns about getting China's help for his re-election cause him to delay actually implementing the Defense Production Act – which would have prioritized U.S. manufacturing of critical PPE -- in a timely way early in the crisis?
- Why did Trump implement a travel ban from China that was so porous that it was basically useless?
- Why did Trump end the US CDC and USAID pandemic offices in China in 2019? No explanation has been provided on this.